

MEMORANDUM

DEPARTMENT OF LABOR
AND WORKFORCE DEVELOPMENT

STATE OF ALASKA

Labor Standards & Safety Division

TO: Regional Supervising Investigators
Juneau, Anchorage, Fairbanks
Wage & Hour Administration

DATE: July 25, 2005

FILE NO: WHPL #197(A2)

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FROM: Grey Mitchell
Director

SUBJECT: Per Diem Requirements

Any previously issued versions of this policy are void. The *Laborers' and Mechanics' Minimum Rates of Pay*, (Pamphlet 600) contains a per diem rate for certain crafts. This per diem rate creates an allowable alternative to existing room and board guidelines, but only under the following conditions:

Employer Provided Camp or Suitable Accommodations.

Unless otherwise approved by the Commissioner, the employer shall ensure that a worker who is employed on a project that is 65 road miles or more from the U.S. Post Office in either Fairbanks, Juneau or Anchorage or is inaccessible by road in a 2-wheel drive vehicle and who is not a domiciled resident of the locality of the project shall receive meals and lodging. Lodging shall be in accordance with all applicable state and federal laws. In cases where the project site is not road accessible, but the employee can reasonably get to the project worksite from their permanent residence within one hour, the Commissioner may waive these requirements for that employee upon a written request from the employer.

The term "domiciled resident" means a person living within 65 road miles of the project, or in the case of a highway project, the mid-point of the project, for at least 12 consecutive months prior to the award of the project. However, if the employer or person provides sufficient evidence to convince the department that a person has established a permanent residence and an intent to remain indefinitely within the distance to be considered a "domiciled resident," the employer shall not be required to provide meals and lodging or pay per diem.

Where the employer provides or furnishes board, lodging or any other facility, the cost or amount thereof shall not be considered or included as part of the required prevailing wage basic hourly rate and cannot be applied to meet other fringe benefit requirements. The taxability of employer provided board and lodging shall be determined by the appropriate taxation enforcement authority.

Per Diem.

Employers are encouraged to use commercial facilities and lodges, however, when such facilities are not available, per diem in lieu of meals and lodging must be paid at the basic rate of \$75.00 per day, or part thereof, the worker is employed on the project. Per diem shall not be allowed on highway projects West of Livengood on the Elliot Highway, at Mile 0 of the Dalton Highway to the North Slope of Alaska, North of Mile 20 on the Taylor Highway, East of Chicken, Alaska on the Top of the World Highway and South of Tetlin Junction to the Alaska-Canada border.

These standards for room and board and per diem only apply to the crafts as identified in pamphlet 600, *Laborers' and Mechanics' Minimum Rates of Pay*. Other crafts working on public construction projects shall be provided room and board at remote sites based on existing policy guidelines.